



ST ELECTRONICS AWARDED S\$81 MILLION CONTRACT BY KAOHSIUNG RAPID TRANSIT CORPORATION

Singapore, 23 January 2003 – Singapore Technologies Electronics Limited ("ST Elect"), the electronics sector of Singapore Technologies Engineering ("ST Engg"), was today awarded a contract of approximately S\$81 million by Kaohsiung Rapid Transit Corporation ("KRTC") to provide a Communications System for the Kaohsiung Mass Rapid Transit ("MRT") Red and Orange Lines in the Kaohsiung Metropolitan Area, Taiwan.

Under the contract, ST Elect will design, supply, install and commission the Communications System for these Red and Orange MRT Lines. The contract is scheduled to be completed by year 2007.

The state-of-the-art Communications System will provide essential communications between trains, stations, depots and the operation control centre thus ensuring a safe, efficient and reliable operation. The Communications System will include communication backbone network, public address, radio, closed circuit television, telephones, e-mail, fax, passenger information displays, central controlled clocks, intruder alarm and SCADA systems.

"This is the second contract from the Kaohsiung Rapid Transit Corporation awarded to us over the past three months. This attests to ST Elect's ability to deliver quality and cost effective rail systems. ST Elect has already successfully implemented the Communications System in Taipei for the Blue & Orange Lines. With this latest contract award, ST Elect has strengthened its position as a leading provider of integrated solutions for rail transportation systems in the region."

**~ SEAH Moon Ming
President, ST Elect**

The contract award is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of ST Engg for the current financial year.

About ST Elect

ST Elect, the electronics arm of ST Engg, is one of the largest electronics system houses in the region. ST Elect prides itself in delivering innovative system solutions to defence, commercial and industrial customers worldwide. It specialises in the design, development and integration of advanced electronics systems, such as broadband RF & microwave communication systems, rail & traffic management systems, real-time command & control systems, training & simulation systems, intelligent building management systems, and information security and m-commerce solutions. ST Elect applies leading edge technologies and design methodologies to meet the stringent requirements of customised electronics systems and solutions. It undertakes continuing research and development to help create cost-effective proprietary products at system and component levels, delivering innovative and quality solutions to customers.

About ST Engg

ST Engg is an integrated engineering group specialising in the fields of aerospace, electronics, land systems and marine. A leader in each of its core businesses, ST Engg provides one-stop services for air, land and sea platforms as well as systems-based solutions. Headquartered in Singapore, the Group employs about 11,500 employees worldwide with a revenue of about S\$2.6 billion in FY 2002. ST Engg is one of the ten largest companies listed on the Singapore Exchange with a market capitalisation of about S\$5 billion.

Media Contact: Magdalen Loh
AVP / Head, Corporate Communications
Singapore Technologies Electronics Limited
Tel: (65) 6413-1788
Fax: (65) 6484-8840
Email: lohlm@stee.st.com.sg